

# **Evaluation Of Improving Community Development And Empowerment Through Village Funds**

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## **Abstract**

This study aims to determine the use of village funds in improving development and community empowerment, as well as the impact of village funds on development and community empowerment in Maranata village, located in Sigi regency, Central Sulawesi. This study uses a qualitative descriptive approach, namely by displaying the data in the form of documents, archives and other references obtained from interviews and direct observations in the village of maranata. informants in this study were village heads, village secretaries, and local villagers. The results of this study show that village funds have a positive impact. Maranata village can be said to have increased in terms of infrastructure development and Community Empowerment. One of the positive impacts that has been felt by the community is the ease of access in everyday life. Village funds received by the village government are distributed in stages in accordance with applicable regulations and are divided into expenditure items for the field of village development and Community Empowerment. With a consistent village government in village deliberations, the village fund goals are achieved and Village development and community empowerment are carried out properly and effectively. This development was carried out on target and received support from the local community.

**Keywords:** Village Fund, Development Enhancement, Community Empowerment

## **1. Introduction**

The Indonesian government continues to strive to improve the implementation of national development so that the pace of regional and rural and Urban Development is more balanced and aligned In addition, the government continues to provide empowerment to people in villages to enable and independent communities, especially from poverty, backwardness, and helplessness. However, in practice, National Development still faces major development problems, such as development inequality between villages and cities in Indonesia. Many factors affect development inequality, which causes uneven development in Indonesia and leads to high poverty. To this day, the village still remains the same, poor and underdeveloped. Although many people agree that the village plays an important role for the city, it is still looked down upon in terms of economy and other aspects. Despite the fact that most of the Indonesian population lives in rural areas and works as farmers and fishermen, therefore, it is natural that rural development should be a top priority in any strategic plan and development policy in Indonesia. Hernowo (2004).

Village development is a very important and strategic role in order to realize national and regional development, in accordance with the vision and mission of the central and local governments. Village development includes elements of equitable development and outcomes, and touches directly on the interests of people living in rural areas to reduce the poverty of rural communities. One of the village government programs is Community Empowerment,

which involves utilizing all available resources to develop and help the village progress. This community empowerment Program focuses on government, institutions, health, and the community economy. In the concept of Nawacita which is the current development priority program, some of them are building Indonesia from the periphery and strengthening regions and villages in the framework of unity, as well as improving the quality of life of Indonesian people. In response to this, the government passed Law No. 6 of 2014 on villages with the aim of creating independent villages and empowering rural communities optimally in accordance with the potential of the village and regulating the source of village funds to carry out development. This law provides an opportunity to position the village as a subject of development based on recognition, subsidiarity and independence.

According to Article 4 of the regulation of the Minister of Villages, development of disadvantaged regions, and Transmigration No. 7 of 2023 on priority details of the use of village funds, village funds derived from the state budget (APBN) are prioritized to finance local-scale programs and activities related to village development and Village Community Empowerment. Village development includes: a) development, development, and maintenance of infrastructure or physical facilities and infrastructure for livelihood, such as food security and development; b) development and maintenance of educational, social, and cultural facilities and infrastructure; c) development of community economic enterprises, including the construction and maintenance of production and distribution facilities and infrastructure; and / or d) Construction and maintenance of renewable energy facilities and infrastructure. Village community empowerment means improving the ability of residents or village communities to develop entrepreneurship, increase income, and expand the economies of scale of individuals and groups of village communities. By using village funds, the main objective is to improve the quality of life of the village community, especially in terms of economic, social, cultural, and political. One important element in the use of village funds is community participation.

Although village funds are considered potential, village funds still have some problems, judging from the current phenomenon of village funds, there is an assumption that village funds are widely misused in terms of allocation. It can also be seen from various media newspapers, television, radio, and even other media such as the internet. To anticipate this we must be wise in studying the news that really happened in a region. Recently, there has been a lively discussion in the social media about village funds used by village officials for personal interests, causing many people to be provoked by the news. Director of Rural Economic Development (Luthfy Latief) spoke in a hearing conducted by DPD RI with the Ministry of villages on issues related to the use of village funds for fiscal year 2023. He mentioned several problems that often occur, among others, not the maximum stages of planning, budgeting, administration, accountability, and reporting in village financial management, overlapping policies that regulate villages and village funds, not optimal carrying capacity for village fund supervision by both government agencies and BPD, and not the maximum role of village assistants

Some of the above issues must be considered because the purpose of the village fund is to optimize the operation of village government, especially the implementation of village development, Village Community Development, and Village Community Empowerment (Law No. 6 of 2014 on villages, 2014). In addition, it is important to consider the implementation of Government Regulation No. 60 of 2014, which was later amended by Government Regulation No. 22 of 2015 (PP No. 22 of 2015 on amendments to Government Regulation No. 60 of 2014 on village funds sourced from the State Budget, 2014). The funds that the government gives to the village must be used properly.

Researchers have specific reasons for choosing the Village Fund (DD) program in this study compared to other government-funded programs. This interest is because the Village Fund (DD) program has a major and significant impact on the development and empowerment of rural communities in all districts in Indonesia.

An additional factor that prompted the authors to conduct this research is the use of village funds in an effort to improve development and community empowerment in Maranata Village. Researchers want to know the increase and positive effects of the use of village funds in improving development and community empowerment in the village of Maranata.

## **2. Literature Review**

### **2.1. Understanding The Village**

The village is the unity of the legal community that has an original arrangement based on the rights of origin that are special. The foundation of thinking in village governance is diversity, participation, autonomy, democracy

and Community Empowerment. According to law No. 6 of 2014, a village, customary village, or desa, is a unitary legal community with territorial boundaries authorized to regulate and administer Governmental Affairs, rights of origin, and/or traditional rights that are recognized and respected in the system of government of the Unitary State of the Republic of Indonesia.

## **2.2. Village Fund**

According to the government regulation of the Republic of Indonesia number 60 of 2014 on village funds, which are sourced from the state budget (APBN), villages can obtain income from various sources, such as village original income, tax and regional retrebuton results, part of the central and regional financial balance funds received by the regency or city, allocation budget from the state budget, financial assistance from the regional budget, grants and non-binding donations from other parties. Village revenues from the state budget finance all government responsibilities, development, community empowerment, and social activities. In Law No. 6 of 2014 on villages, it is said that village funds are provided to ensure that the state maintains and empowers villages to be strong, developed, independent, and democratic.

## **2.3. Village Development**

According to Nasution (Hasanah, 2017), development is the ability to develop socially, economically, and politically at different levels and within all parts of society. These capabilities enable countries to reduce poverty, unemployment, and inequality, as well as survive and thrive in an unstable, complicated, and increasingly competitive world.

Village Development, which is regulated by the regulation of the Minister of Home Affairs of the Republic of Indonesia number 114 of 2014, aims to improve the quality of life of rural communities and the quality of human life through the fulfillment of basic needs, the development of facilities and infrastructure, the development of local economic potential, and the sustainable use of Natural Resources and the environment. Village Development Planning is the process of stages of activities organized by the village government by involving Village consultative bodies and community elements in a participatory manner to achieve Village Development Goals through the utilization and allocation of village resources. The purpose of Rural Development according to Law No. 6 of 2014 is to reduce poverty through meeting the needs of rural communities and improving the welfare of rural communities.

## **2.4. Community Empowerment**

Community empowerment, according to Anthony Bebbington in Mardikanto and Soebiato (2015: 30), is an effort to increase the dignity and dignity of the layers of society that are currently unable to escape the trap of poverty and underdevelopment. In other words, empowerment helps people become capable and independent. Menurut Ruth Roselin E. Nainggolan (2019: 8), Community Empowerment is a development process in which communities seek to initiate social activities to improve their own conditions and situations. In accordance with Law No. 6 of 2014, Village Community Empowerment is an effort to improve the independence and welfare of the community through increasing knowledge, attitudes, skills, behaviors, abilities, and awareness as well as utilizing resources through the establishment of policies, programs, activities, and assistance in accordance with the problems and priority needs of the village community.

## **2.5. Development Improvement Indicators**

To find out how effective efforts to improve village development, in accordance with the objectives of Law No.6 of 2014 Article 78 (1), several indicators of village development can be used, such as good village infrastructure, adequate public facilities, access to information, and superior quality of human resources.

## **2.6. Previous Research**

Putri Antou (2019) The Effectiveness Of Village Funds Towards The Development And Empowerment Of Rural Communities In Talawaan District, North Minahasa Regency. The results of the study stated that village funds can improve village development through infrastructure development, and community empowerment programs, which are carried out by the village government and the community. So that it is able to improve the economy of every village in talawaan district, north minahasa regency.

Ilham Zitri (2020) Implementation Of Village Funds In Improving The Welfare Of Rural Communities Based On Law Number 6 Of 2014 On Villages (Case Study Of Poto Tano Village Poto Tano Kecamatan , Poto Tano District, West Sumbawa Regency). The results showed that the utilization of village funds in improving the welfare Masyarakat Desa of the Village Community Poto Tano Kecamatan Tano Tano District Poto Tano West Sumbawa, based on Law No. 6 of 2014 on the village can not be said to be effective. This can be evidenced by the number of community empowerment programs that are still far proportional to the number of Village development programs that have been realized in accordance with the plan for the form of programs that have been set by the village government through Musrenbangdes.

Nur Sri Devyana (2020) Village Fund Management in an effort to improve Village Community Development and Empowerment Case Study: Nroto Village, Pujon District, Malang regency. The results of this study indicate that the management of village funds conducted in ngro village can support in increasing physical development and also empowering the community. With the existence of village funds that can be obtained by ngroto village, it can have a significant positive impact on village economic growth, village development, and also the empowerment of the village community.

Rukiah Nggilu (2022) Improving Community Welfare Through Village Fund Management In Molas Village Kecamatan , Bongomeme District, Gorontalo Regency. The results of this study indicate that the village fund managed by the Molas village apparatus is in accordance with its designation where the priority of the village fund includes development activities and the welfare of the community but has not been optimally implemented because of the frequent element of interest.

### **3. Research Methods**

#### **3.1. Types Of Research**

This study uses a descriptive approach with qualitative data analysis. Descriptive research, according to Whitney (in Nazir, 1988:34), is defined as fact-finding with precise interpretation with the aim of producing a systematic, factual and accurate description, picture or painting of the facts, characteristics and relationships between the phenomena investigated. Theoretically, Sugiyono (2011: 11) said that qualitative research is research that uses yourself (researcher) as a research tool. In the implementation of the research will follow cultural assumptions as well as following the data, in achieving imaginative insights into the social world of information, where researchers are expected to be flexible and relative.

#### **3.2. Data Collection Techniques**

Source of data in this study the primary Data collected directly from the research site without the help of intermediaries. Researchers visited the research site in the village of Desa Maranata in Sigi district, Sigi Biromaru regency, Central Sulawesi, to see and examine the situation and conditions directly. And secondary data are obtained from various sources, including official documents. This document is a file-shaped file that can be researched and used as evidence of research. Researchers used three methods of data collection: interview, observation, and documentation.

#### **3.3. Data Analysis Techniques**

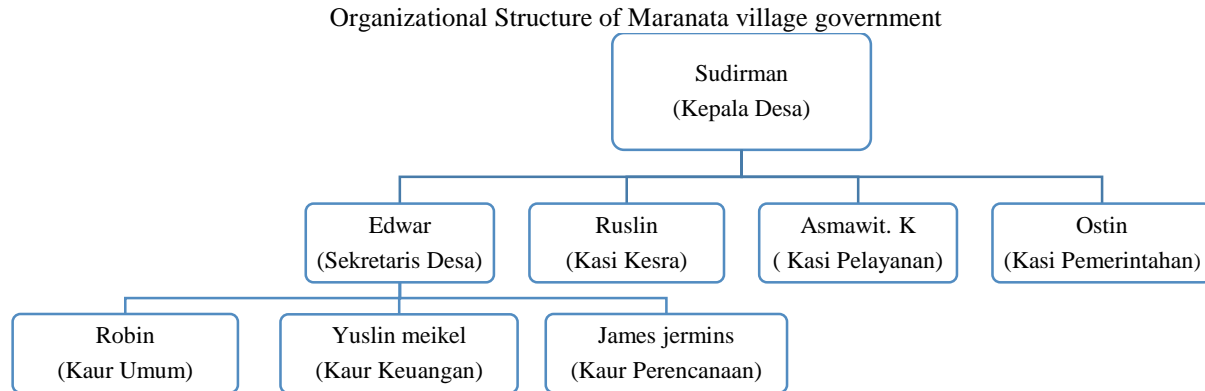
In this study, the method of data analysis is a qualitative descriptive analysis that uses the approach of providing written information. Data analysis is done by describing or describing the data that has been collected and presenting it in a written text so that the research can reach conclusions regarding the problem under study.

### **4. Results And Discussion**

#### **4.1. Overview Of Maranata Village**

Maranata village is located in Sigi Biromaru District, Central Sulawesi province. The distance of the village is about 4 kilometers from the District Capital Center, 17 kilometers from the District Capital Center, and 25 kilometers from the Provincial Capital Center. Access to the village can be done by road using a motor vehicle or car, with a travel time of about 10-15 minutes to the district capital, 20-25 minutes to the district capital, and 25-30 minutes to

the provincial capital. During the trip, the path traversed mostly asphalt roads, but some parts are still in the process of repair.



Source: Maranata Village Information Board

## 4.2. Village Fund Management

Village Fund Management is an integral part of the village budget (APBDes), including Planning, Implementation, Administration, reporting, and accountability. This process begins with a discussion at The Village Development Plan meeting, where all components of the community participate to realize development that involves participation and accommodates the aspirations of the village community. The results are used as the basis for the preparation of the village Government Work Plan (RKPDDes) and APBDes, which are then formalized in the village regulation as a guide for development in the village.

After the Village Fund is received by the village government, its management is carried out by the village government and village officials, involving the participation of local communities from planning in musrenbangdes, which involves all levels of society, to the realization stage which actively involves local workers.

Every year, the village receives a village fund of one billion rupiah. In its use, 30% of village funds are allocated for operational purposes, while the remaining 70% is used for Community Development and empowerment. The effectiveness of the Village Fund is assessed based on the extent to which the funds are used in accordance with the village fund policy objectives, namely realizing development and community empowerment in the village.

Table 1. Total amount of village fund receipts in 2022 and 2023 in Maranata village

Year	Total Village Fund Acceptance
<b>2022</b>	Rp 1,023,658,000
<b>2023</b>	Rp 1,083,785,000

Source: Maranata Village APBDes Report, 2023

The table of Village Fund revenue receipts in 2022-2023 shows that the total village fund receipts in 2022 reached Rp 1,023,658,000 while in 2023 it increased to Rp 1,083,758,000

## 4.3. Use Of Village Funds In An Effort To Improve Development

Until now, Village funds have been used to optimize village-based programs and the implementation of local authority at the village level with equitable and fair. The priority of using village funds is to support development and community empowerment in the village. In Maranata village, village funds are focused on the development and Community Empowerment sectors. Over time, the amount of village funds has increased, and the proportion of their use for Community Empowerment has also increased significantly. Village funds are used in accordance with programs that have been drawn up in the village Government Work Plan (RKPDDes) and the village income and expenditure budget (APBDes). In this stage, the community also plays a role in the realization of the program.

Village fund receipts in 2023 reached Rp 1,083,785,000 with an allocation of 30% for village government operations and 70% for two main areas, namely village development and Community Empowerment.

Table 2. Details of the use of village funds

No	Description / Activity	Revenue	Expenditure
	<b>Total revenue</b>	<b>Rp 1,083,785,000,000</b>	
1	Field of Village Government Administration		Rp 75,282,680
2	Field of Village Development		Rp 391,045,320
3	Field of Community Empowerment		Rp 297,547,000
4	Surplus / (deficit) expenditure		Rp 50,000,000

Source: Maranata Village APBDes Report, 2023

From the information in the table above, it can be concluded that of the total village funds received in fiscal year 2015, a total of Rp 1,083,785,000 has been directed to certain sectors. The allocation is Rp 75,282,680, for village governance, Rp 391,045,320 for development, and Rp 297,457,000 for Community Empowerment. Although not entirely used in the field of village development and community empowerment, the development of development and community empowerment in Maranata village still shows an increase. Here is the realization of the use of village funds in 2023.

Table 3. Realization of village funds in the field of Village Development 2023

No	Description / Activities	Expenditure
1	Implementation of PAUD/TK/TPA/TKA/TPQ / non-formal Madrasah owned by the village.	Rp 21,300,000
2	Educational counseling and training for the community	Rp 32,619,000
3	Implementation of Village Health Posts/village owned Polindes	Rp 52,250,000
4	Implementation of Posyandu	Rp 112,850,000
5	Development/rehabilitation/improvement/provision of infrastructure (Posyandu development )	Rp 39,866,320
6	Maintenance of settlement sanitation (culverts, sewers, ditches outside, etc.)	Rp 59,640,000
7	Development/rehabilitation / improvement of clean water sources owned by the village	Rp 68,620,000
8	Management and creation of networks / installation of communication and information	Rp 4,000,000

Table 4. Village Fund realization in the field of Community Empowerment 2023

No.	Description / activity	Expenditure
1	Increase in Food Crop Production (Production/ Management equipment, equipment procurement, fertilizers, etc.)	Rp 216,757,000
2	Increase in the capacity of village	Rp 56,800,000
3	Increase in BPD	Rp 3,900,000
4	Training and counseling on women's empowerment	Rp 20,000,000

5	Handling urgent situations	Rp 270,000,000
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Source: Maranata Village APBDes Report, 2023

The achievement of the Village Fund goal can be seen from the interview with Mr. Edward Tempa, Maranata Village Secretary, on December 18, 2023. He said that:

*"The purpose of the Village Fund is to improve the welfare of the community by implementing development programs in the village, which aims to make the lives of rural communities more prosperous. Examples of programs that have been realized and provide benefits felt by the community include the construction of Posyandu, repair of village roads that have been paved, and the provision of clean water. Although the construction of two Posyandu was planned, only one was successfully realized due to land constraints, but the village government still diverted funds for Community Empowerment by organizing various Bimtek activities."*

A similar opinion was also expressed by Mr. Dedi and Mrs. Ana, community leaders of Maranata village, they said that:

*"Village government has used village funds in accordance with the program that has been planned in the village meeting. They stressed that the positive impact of the use of village funds has been felt by the people of Maranata Village."*

With the village fund, both the government and the people of Maranata village feel very helped in achieving increased development and Community Empowerment, which ultimately contributes to improving welfare in Maranata Village.

#### **4.4. Supporting and inhibiting factors of Village Fund Management**

1. Supporting Factors :

a). Policy Support

Policies in the form of Regent regulations and technical guidelines for the implementation of village financial management are the main guidelines for village governments in carrying out their programs, so they can be considered as supporting factors for Village Fund Management.

b). Socialization

The socialization process, which is the delivery of learning to target groups about new policies, helps people understand the policies that will be implemented. Socialization of Village Fund Management to village government apparatus contributes positively to village fund management by providing a better understanding.

c). Facilities and infrastructure

The availability of facilities (tools to achieve goals) and infrastructure (main supporting processes) in Marabata village supports the efficiency and effectiveness of Village Fund Management.

2. Inhibiting Factors :

a). Human Resources

Human resources in Maranata Village are still limited, especially in terms of low education. This has an impact on the financial management of the village is not optimal, causing additional spending to involve third parties

b). Community Participation

Community participation is when the community actively participates in contributing voluntarily throughout the program planning and evaluation process. The higher the level of community participation in achieving program goals, the more successful the program. Conversely, if community participation in program management is low, the success rate of the program will be lower. Community participation in the village is still inadequate.

#### **4.5. Impact of village funds on Community Development and Empowerment**

The positive impact of village funds on Community Development and empowerment in Maranata Village, Sigi Biromaru District, Sigi Regency, is manifested in a number of aspects, both in the physical development and Community Empowerment sectors. Infrastructure improvements, such as improving the quality of village roads and the availability of clean water in residential areas, showed significant improvements. These conditions contribute to The Daily well-being of the people of Maranata Village, improve their quality of life, and improve the level of well-being in the village.

Not only focused on physical development, village funds also have a positive impact on Community Empowerment. It can be seen from various activities such as counseling and coaching held for village administrators and the community as a whole. This initiative aims to increase the knowledge and insight of the community, as well as provide provisions for them in achieving a better future in the village of Maranata.

## **5. Conclusion**

Based on the results of research and discussion on the evaluation of improving development and community empowerment through village funds in Maranata village, it can be concluded that if village funds are managed effectively, on target, and receive a positive response from the community, then through these resources can improve development and community empowerment in the village. This point is reinforced by the focus of larger village funding goals on development and Community Empowerment.

Village Fund Management conducted by Maranata Village is in accordance with the regulation of the Minister of Finance of the Republic of Indonesia number 193/PMK.07/2018 on the management of village funds, which effectively improve the physical development and empowerment of rural communities. The utilization of village funds has a positive impact on the community, especially in Maranata Village, which supports the development of development and Community Empowerment. The 2023 Village Fund of Rp 1,083,785,000 has been fully used in two main areas, namely development and community empowerment, thus creating optimal development in both aspects.

Supporting factors for Village Fund Management involve comprehensive policies, socialization involving village officials, and the existence of facilities and infrastructure to support Village Fund Management. On the other hand, the inhibiting factor of Village Fund Management involves human resources that have a low level of education and community participation that is still considered low.

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